

Examiner's interim feedback

May 2021 Operational Case Study Examination

The purpose of this document is to give some feedback on the May 2021 Operational Case Study (OCS). It also aims to provide some useful advice for candidates preparing to re-sit this exam in August 2021. If you are planning to re-sit in August 2021, remember that the exam will be based on the same pre-seen as May 2021. You do not need to know or use any information from the variants of the exam that was taken in May 2021.

General comments

The Operational Case Study (OCS) for May 2021 was based on Acellerate, a leading car rental company based in Everland, in Western Europe. The company, operating under the Acellerate brand, provides a high-quality car rental service. Rental fees are generally above those of value-branded car rental companies. It mainly services the business and premium leisure segments of the travel industry. A recent global economic recession impacted the business significantly throughout 2020.

The pre-seen, made available in advance, contained information about Acellerate's services, key managers, sales operations, maintenance centres, IT systems, budgets, financial statements and the industry. Three exam variants based on Acellerate were made available for May. Each variant gave additional information about Acellerate and had four 45-minute sections to be completed. Each section was split into two or more sub-tasks, with each sub-task relating to a specific core activity. All of the core activities were covered in each variant in line with the [OCS blueprint](#).

The quality of answers in May varied widely. There were a significant number of low-scoring answers, indicating that some candidates were completely unprepared for sitting this OCS examination. There were also some excellent high-scoring answers where candidates were able to explain technical content and concepts in an accurate, clear, comprehensive, focused and applied way across the whole paper. Most answers though were in the mid-range. Common reasons why this was the case were as follows:

- Gaps in technical knowledge and understanding, meaning that some tasks were answered well and others poorly.
- Lack of application to the scenario or a lack of clarity and depth in explanations.
- Candidates answering the task that they wish they had been asked rather than what had been asked.

In May 2021, presentation of answers was generally good. Many candidates used headings and sub-headings and wrote short to the point paragraphs and sentences which were easy to read. Time management did not appear to be an issue for most candidates. Where elements of tasks were not answered this seemed to be because of a lack of knowledge rather than a timing issue.

In relation to the core activities the following comments are relevant:

A	Prepare costing information for different purposes to meet the needs of managers	This core activity represents between 12% and 18% of the marks available in the OCS blueprint. Candidate performance for this core activity was generally poor. Many candidates did demonstrate some general technical understanding of costing approaches and some business awareness of costing issues in a digital environment. However, application of professional scepticism and judgement in the context of the business was generally poor.
B	Prepare budget information and assess its use for planning and control purposes	This core activity represents between 17% and 25% of the marks available in the OCS blueprint. As has been the case in the past, candidate performance was very dependent on the specific budgeting topic that the tasks were based on, indicating a lack of technical knowledge and understanding for some aspects of budgeting. Demonstration of business awareness and professional judgement was often limited by this lack of technical knowledge and understanding. There was a reasonable attempt to communicate clearly, although quite often application to the scenario was limited.
C	Analyse performance using financial and non-financial information	This core activity represents between 17% and 25% of the marks available in the OCS blueprint. Many candidates demonstrated reasonable understanding of the business model and its environment in respect of the selection and interpretation of KPIs, although there were some low-scoring answers where the KPIs suggested were not appropriate for the function being considered. Many candidates failed to demonstrate consistent technical understanding across the range of variances tested and clearly communicate the meaning of variances. This meant that application of professional scepticism and business awareness when interpreting variances was often limited.
D	Apply relevant financial reporting standards and corporate governance, ethical and tax principles	This core activity represents between 12% and 18% of the marks available in the OCS blueprint. As has been the case before, answers were either very good or very weak. This marked difference in the quality of answers clearly differentiates between those candidates who had prepared well and revised technical F1 topics and those that had not. Where the technical knowledge was evident, communication was typically clear and there was a good level of professional scepticism and judgement in applying the regulations to the scenario. Without the technical knowledge and understanding, this was not the case.

E	Prepare information to support short-term decision making	This core activity represents between 17% and 25% of the marks available in the OCS blueprint. As for budgeting, the quality of answers was dependent on the decision-making topic being tested. Candidates still demonstrate confusion between risk and uncertainty, which is disappointing. Where candidates had the technical knowledge and understanding, answers were usually clearly communicated and demonstrated reasonable application of professional judgement and business awareness. Answers were weak where the technical knowledge and understanding was not evident.
F	Prepare information to manage working capital	This core activity represents between 7% and 13% of the marks available in the OCS blueprint. Consistent with previous sessions, most candidates seemed to be well prepared for this core activity and for the most part, although not for all tasks, produced answers that were clearly communicated and demonstrated reasonable business awareness with reasonable application of professional judgement.

Specific comments to candidates

The reasons why candidates failed in May 2021 are essentially the same as in previous sessions and so these points are repeated from previous reports. If you failed in May 2021, this is likely to be because you did not:

- Demonstrate technical knowledge and understanding of technical P1 and F1 subjects. The OCS blueprint is heavily focused on the application of technical knowledge. This has been said many times, but you cannot hope to apply technical knowledge that you do not have.
- Apply the technical knowledge that you do have to the case study scenario. Lack of application limits the score for many traits to level 1 or level 2.
- Answer the task given rather than the task that you wish you had been given and had pre-prepared an answer for.
- Explain rather than describe or simply identify points. Typically, at OCS level, we ask for explanation which means that we are looking for depth in answers rather than a list of points.
- Utilise the new information about the business given to you in the exam to provide an applied context to your answers. Generic text-book style answers score few if any marks and pre-prepared answers based only on the pre-seen will also limit your mark.
- Provide an answer to all elements of a task or sub-task. We do not give compensatory marks if one part of your answer is excellent, but another part is missing. If there is “no rewardable material” for a task or sub-task you won’t score any marks.

If you failed in May 2021, there are things that you can do to help improve your chance of future success (again, I make no apologies that these are the same points as my last report!). Make sure that you:

1. Revise technical topics from P1 and F1 and don't just rely on remembering what you learnt for the OTQ exams.
2. Practise and keep practising past OCS questions (which are all available for use). Doing this will help you to:
 - Understand how to apply the technical knowledge gained from your revision in point 1 above.
 - Appreciate how the pre-seen and new information in the exam itself can be utilised to give application in answers.
 - Get used to how the examiner phrases tasks and from reviewing suggested solutions, what they are looking for.
 - Get used to managing your time (assuming that you test yourself under exam conditions) and working under time pressure.
3. In the exam itself:
 - Allocate your time to ensure that all elements of a task are answered and read the task carefully: don't just assume that because it's on a subject that has come up before that the task will be the same. Think to yourself as you are writing... "is this really answering the task?"
 - Plan answers rather than launching straight in. This is best done in the body of the answer box by using headings and short points, which can then be expanded to give a fully explained answer. You also have the functionality to use tables in your answers.
 - Make sure that you are explaining rather than just stating or identifying a list of points. Quite often, adding "because", "this is due to" or "resulting in" will help you to develop a point which takes it from identification to explanation.
 - Use the information given to you in the exam: it's there for a reason! Don't be afraid to use your common sense and think around an issue if needed.
 - Don't give up.

Good luck!